

OFFICE OF LEGISLATIVE AUDITOR Fiscal Note

Fiscal Note On: **HB 931** HLS 14RS 1316

Bill Text Version: ORIGINAL

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: March 27, 2014 12:36 PM

Author: ST. GERMAIN

Dept./Agy.: State Plumbing Board of Louisiana

Analyst: Anthony Truong

Subject: Licensing of Gas Fitters

PLUMBERS OR INCREASE SG RV See Note Provides relative to the licensing of gas fitters

and commercial gas fitters and provides for such licensing fees.

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Purpose of Bill: This measure empowers the State Plumbing Board of Louisiana (board) to license persons as residential

EXPENDITURES	<u> 2014-15</u>	<u> 2015-16</u>	<u> 2016-17</u>	<u> 2017-18</u>	<u> 2018-19</u>	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

There may be an increase in self-generated expenditures as a result of this measure.

An official with the board indicated that this bill may create demand for additional personnel at approximately \$25,000 annually. Additional expenditures may include test development and use of 3rd party testing personnel. However, the exact amounts are indeterminable.

REVENUE EXPLANATION

There may be an increase in self-generated revenues as a result of this measure.

Officials with the board indicated that revenues may increase due to the licensing of residential and commercial gas fitters, but the exact amounts are indeterminable.

Officials indicated that it is difficult to determine how many people would participate each year due to data limitations. However, they estimate a possible 20% participation rate for current artisans in the first two fiscal years with a decrease in participation in later years.

The board estimates that there are currently about 6,438 artisans (4,655 licensed plumbers + 819 water supply specialists + 964 medical gas fitters) eligible to participate. If there is an initial 20% participation rate, then 1,288 artisans would apply for the license at a \$150 application fee each. Therefore, revenues could increase by \$193,200 annually in the first two fiscal years. The initial increases may gradually decline in subsequent years.

<u>Senate</u>	<u>Dual Referral Rules</u> <u>Ho</u>	use 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	Desire was	
13.5.1 >= \$	100,000 Annual Fiscal Cost {S&H}	$6.8(F)(2) >= $500,000 \text{ State Rev. Reduc. } \{H \& S\}$		
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Joy Irwin Director of Advisory Services	